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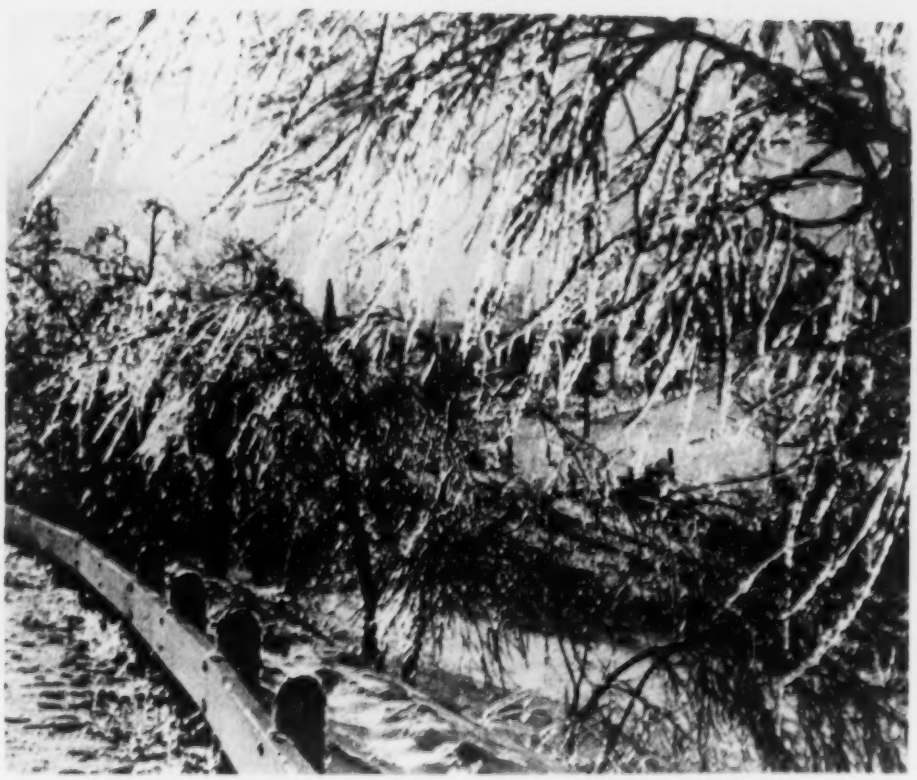
WISCONSIN ECONOMIC INDICATORS

DECEMBER 1988



DILHR
DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCES
L1	Composite Index of Leading Indicators	Wi. Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wi. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wi. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wi. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wi. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wi. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wi. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wi. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wi. Dept. of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Security Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wi. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wi. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wi. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wi. Dept. of Health and Social Services
X2	Death Registrations	Wi. Dept. of Health and Social Services
X3	Natural Net Gain in Population	Wi. Dept. of Health and Social Services
X4	Marriage Registrations	Wi. Dept. of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wi. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wi. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wi. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the census Method 11 Seasonal Adjustment Program.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading of coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically.

COVER PHOTO: Courtesy of the State Historical Society of Wisconsin

WISCONSIN ECONOMIC INDICATORS

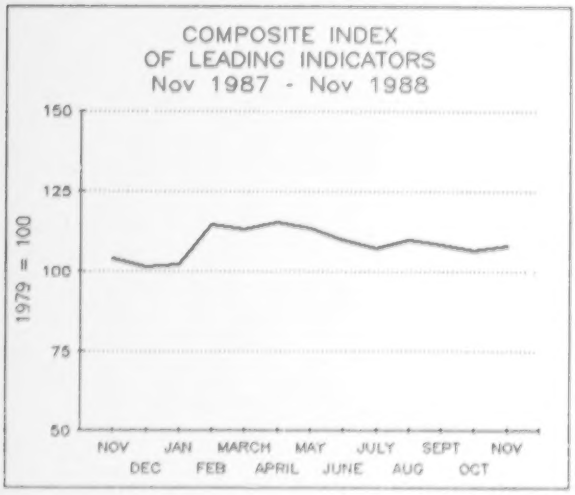
SUMMARY FOR NOVEMBER

COMPOSITE INDEX

Wisconsin's Composite Index of leading economic indicators rose by 1.5 percentage points in November. While not a large increase, this month's change reverses the declines of the previous two months.

Movement of the seasonally adjusted trends of the leading indicators are mixed - some point up; some, down.

A strong gain in the seasonal trend of building plans examined more than offset an increase of unemployment compensation initial claims and a decrease of business telephone access line growth.



LEADING INDICATORS

The average workweek in Wisconsin's manufacturing industries grew by four-tenths of an hour. That is less then normal for November. However, the manufacturing employment level remained strong; it usually decreases about two thousand at this time of the year.

Along with the workweek average, the average weekly overtime hours increased. The overtime figure grew by two-tenths of an hour, which is slightly better than normal for this month.

The average weekly initial claims for unemployment compensation jumped by over four thousand. That is much more than is seasonally normal. A normal increase for November would be about twenty-four hundred.

The seasonal trend of employment was strong enough to absorb unusual growth in the labor force.

The total number of job openings received by Job Service offices slipped by nearly seven hundred. That is a small decrease for this month. A decline of about two thousand is normal for November.

New business incorporations decreased in November, but just slightly. The number of new incorporations usually decreases now, so this month's change is actually an upward trend when seasonally adjusted.

The net gain in business telephone access lines decreased by nearly seventeen hundred. However, about three-quarters of that decline is due to normal seasonal factors for November.

The number of commercial and industrial building plans examined by state officials decreased by about forty. That is well below the normal November seasonal decrease of about two hundred.

Section

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago	1987
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	Index	NOV	107.6	106.1	103.5	1.4%	4.0%	97.9
L2 AVG. WORK WEEK, MFG.								
Unadjusted	Hours	NOV	42.3	41.9	42.4	1.0%	-0.2%	41.4
Seasonally Adjusted			41.7	42.0	41.8	-0.7%	-0.2%	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	Hours	NOV	4.5	4.3	4.5	4.7%	0.0%	3.9
Seasonally Adjusted			4.3	4.2	4.3	2.4%	0.0%	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	Number	NOV	9287	5123	9236	81.3%	0.6%	7601
Seasonally Adjusted			7020	5711	6979	22.9%	0.6%	
L5 TOTAL JOB OPENINGS RECEIVED								
Unadjusted	Number	NOV	7588	8258	6978	-8.1%	8.7%	7774
Seasonally Adjusted			8642	7144	7945	21.0%	8.8%	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	Number	NOV	532	549	478	-3.1%	11.3%	546
Seasonally Adjusted			576	552	517	4.3%	11.4%	
L7 NET GAIN IN BUSINESS TELEPHONE ACCESS LINES								
Unadjusted	Number	NOV	1139	2827	2488	-59.7%	-54.2%	1921
Seasonally Adjusted			2087	2371	1725	-12.0%	21.0%	
L8 BUILDING PLANS EXAMINED								
Unadjusted	Number	NOV	674	717	674	-6.0%	0.0%	622
Seasonally Adjusted			656	516	656	27.1%	0.0%	
COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	Index	OCT	95	88	96	8.0%	-1.0%	78
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	Percent	NOV	3.8	3.4	5.5	.....	.....	6.1
Seasonally Adjusted			4.0	4.1	5.8	.....	.....	
C3 NATURAL GAS SALES								
Unadjusted	Mil.	OCT	182.6	74.5	164.8	145.1%	10.8%	169.0
Seasonally Adjusted	Therms		232.3	149.6	209.7	55.3%	10.8%	
C4 NEW CAR REGISTRATIONS								
Unadjusted	Number	NOV	11,099	13,656	10,024	-18.7%	10.7%	14,261
Seasonally Adjusted			15,549	10,419	14,041	49.2%	10.7%	
C5 ELECTRIC POWER SALES								
Unadjusted	Mil. KWH	OCT	2459.3	2304.5	2173.7	6.7%	13.1%	2068.8
Seasonally Adjusted			2380.7	2304.5	2103.9	3.3%	13.2%	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	Mil. Dol.	NOV	235.3	71.7	119.3	228.2%	97.2%	120.4
Seasonally Adjusted			262.3	77.2	132.9	239.8%	97.4%	

Section

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago	1987
C7 MANUFACTURING EMPLOYMENT							
Unadjusted	Thous.	NOV 556.3	556.9	535.2	-0.1%	3.9%	526.8
Seasonally Adjusted		555.7	553.6	534.4	0.4%	4.0%	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	Dollars	NOV $454.30	$446.65	$453.26	1.7%	0.2%	$436.88
Seasonally Adjusted		$445.83	$451.16	$444.62	-1.2%	0.3%	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	Mil. Dol.	SEPT 486.8	455.6	426.0	6.8%	14.3%	433.1
Seasonally Adjusted		474.5	452.9	415.8	4.8%	14.1%	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	Thous.	NOV 76.8	78.0	72.2	-1.5%	6.4%	67.4
Seasonally Adjusted		72.3	70.2	68.0	3.0%	6.3%	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	Number	NOV 5453	6230	5193	-12.5%	5.0%	5892
Seasonally Adjusted		6106	6072	5816	0.6%	5.0%	
X2 DEATH REGISTRATIONS							
Unadjusted	Number	NOV 3453	3662	3499	-5.7%	-1.3%	3528
Seasonally Adjusted		3571	3733	3618	-4.3%	-1.3%	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	Number	NOV 2000	2568	1694	-22.1%	18.1%	2364
Seasonally Adjusted		2421	2330	2050	3.9%	18.1%	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	Number	NOV 2822	5068	2644	-44.3%	6.7%	3173
Seasonally Adjusted		3289	3589	3081	-8.4%	6.8%	
X5 CONSUMER PRICE INDEX			(Dec '87)	(Jun '87)			
Unadjusted	Index	JUNE 353.7	349.2	340.0	1.3%	4.0%	344.6
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	Index	NOV 143	145	133	-1.4%	7.5%	134
Seasonally Adjusted		140	143	131	-2.1%	6.9%	
X7 NET GAIN IN RESIDENTIAL TELEPHONE ACCESS LINES							
Unadjusted	Number	NOV 4090	1616	1625	153.1%	151.7%	1750
Seasonally Adjusted		2646	1975	1698	34.0%	55.8%	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	Number	NOV 138	138	11	0.0%	1154.5%	538
Seasonally Adjusted		616	106	49	481.1%	1157.1%	
X9 UNEMPLOYMENT COMPENSATION EXHAUSTEES							
Unadjusted	Number	NOV 10,291	11,261	14,685	-8.6%	-29.9%	18560
Seasonally Adjusted		11,186	11,854	15,959	-5.6%	-29.9%	

Section

B LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES NOVEMBER	(In Thousands)			% CHANGE	
	Latest Mo.	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago
Unadjusted					
CIVILIAN LABOR FORCE	2601.3	2593.9	2533.9	0.3%	2.7%
Employment (incl. Labor Disputes)	2503.3	2505.0	2394.3	-0.1%	4.6%
Unemployment	98.1	88.9	139.6	10.3%	-29.7%
Unemployment Rate	3.8	3.4	5.5	.....	.....
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2579.4	2560.5	2515.7	0.7%	2.5%
Employment (incl. Labor Disputes)	2476.1	2455.9	2368.6	0.8%	4.5%
Unemployment	103.4	104.6	147.1	-1.1%	-29.7%
Unemployment Rate	4.0	4.1	5.8	.....	.....

WISCONSIN EMPLOYMENT ESTIMATES NOVEMBER	(In Thousands)			% CHANGE	
	Latest Mo.	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago
Unadjusted					
TOTAL NONFARM WAGE AND SALARY WORKERS	2192.7	2192.1	2126.2	0.0%	3.1%
Manufacturing	556.2	556.8	535.2	-0.1%	3.9%
Mining	2.3	2.5	2.2	-8.0%	4.5%
Contract Construction	76.8	78.0	72.2	-1.5%	6.4%
Transportation and Public Utilities	99.7	100.1	96.9	-0.4%	2.9%
Electric, Gas and Sanitary Services	17.1	17.2	17.5	-0.6%	-2.3%
Wholesale Trade	111.8	111.5	109.6	0.3%	2.0%
Retail Trade	412.6	412.3	402.1	0.1%	2.6%
General Merchandise	50.2	50.1	52.2	0.2%	-3.8%
Finance, Insurance and Real Estate	115.1	114.9	112.9	0.2%	1.9%
Banking	28.1	28.1	27.8	0.0%	1.1%
Insurance	39.1	38.9	38.4	0.5%	1.8%
Service and Miscellaneous	473.8	475.7	764.4	-0.4%	-38.0%
Hospitals	71.3	71.3	69.8	0.0%	2.1%
Private Education	27.4	27.1	26.9	1.1%	1.9%
Government	344.4	340.3	333.6	1.2%	3.2%
State Government	88.3	87.8	84.0	0.6%	5.1%
Local Government	226.8	223.0	221.0	1.7%	2.6%

UNITED STATES LABOR FORCE ESTIMATES NOVEMBER	(In Thousands)			% CHANGE	
	Latest Mo.	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	122,572	122,012	120,594	0.5%	1.6%
Employment (incl. Labor Disputes)	115,976	115,521	113,504	0.4%	2.2%
Unemployment	6,595	6,491	7,090	1.6%	-7.0%
Unemployment Rate	5.4%	5.3%	5.9%	.....	.....

WISCONSIN ECONOMIC INDICATORS

MANUFACTURING EMPLOYMENT Unadjusted NOVEMBER	(In Thousands)			% CHANGE	
	Latest Mo.	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago
All Manufacturing (Incl. Canning)	556.2	556.8	535.2	-0.1%	3.9%
All Manufacturing (Excl. Canning)	547.6	545.0	526.2	0.5%	4.1%
Durable Goods	346.2	344.0	330.3	0.6%	4.8%
Lumber and Wood Products (Excl. Furniture)	28.4	28.5	27.3	-0.4%	4.0%
Furniture and Fixtures	11.9	11.8	11.3	0.8%	5.3%
Stone, Clay, and Glass Products	10.0	10.0	9.7	0.0%	3.1%
Primary Metal Industries	23.0	23.0	20.7	0.0%	11.1%
Iron and Steel Foundries	11.9	11.9	10.5	0.0%	13.3%
Fabricated Metal Products	58.3	58.0	54.4	0.5%	7.2%
Fabricated Structural Metal Products	14.6	14.6	13.5	0.0%	8.1%
Metal Stampings	11.3	11.5	11.2	-1.7%	0.9%
Machinery (Excl. Electrical)	111.3	110.7	105.1	0.5%	5.9%
Engines and Turbines	20.0	19.9	20.4	0.5%	-2.0%
Farm Machinery and Equipment	13.2	13.2	12.9	0.0%	2.3%
Constr.,Mining, Material Handling Machinery	11.6	11.5	10.7	0.9%	8.4%
Metalworking Machinery and Equipment	12.2	12.1	11.3	0.8%	8.0%
Special Ind. Mach., Excl. Metalworking	14.6	14.6	13.3	0.0%	9.8%
Gen. Industrial Mach. and Equip.	15.8	15.6	14.3	1.3%	10.5%
Electrical Machinery, Equip. and Supplies	48.4	47.9	47.0	1.0%	3.0%
Electrical Industrial Apparatus	15.5	15.4	15.4	0.6%	0.6%
Transportation Equipment	31.9	31.5	33.4	1.3%	-4.5%
Motor Vehicles and Equipment	25.7	25.4	26.7	1.2%	-3.7%
Instrument and Related Products	12.6	12.3	12.2	2.4%	3.3%
Miscellaneous Manufacturing	10.4	10.3	9.4	1.0%	10.6%
Nondurable Goods	210.0	212.8	204.9	-1.3%	2.5%
Food and Kindred Products	61.2	64.7	60.3	-5.4%	1.5%
Meat Products	15.6	15.6	15.4	0.0%	1.3%
Dairy Products	18.3	18.2	17.4	0.5%	5.2%
Canning and Preserving	8.6	12.1	9.0	-28.9%	-4.4%
Bakery Products	4.4	4.4	4.4	0.0%	0.0%
Beverage Industries	7.3	7.3	7.2	0.0%	1.4%
Textile Mill Products	4.7	4.7	4.7	0.0%	0.0%
Apparel and Other Finished Products	7.2	7.1	6.7	1.4%	7.5%
Paper and Allied Products	48.0	48.1	47.9	-0.2%	0.2%
Pulp and Paper Mills	29.1	29.1	29.1	0.0%	0.0%
Printing, Publishing and Allied Products	45.5	45.1	42.4	0.9%	7.3%
Chemicals and Allied Products	10.4	10.4	10.3	0.0%	1.0%
Rubber and Misc. Plastics Products	26.1	25.8	25.3	1.2%	3.2%
Miscellaneous Plastics Products	22.0	21.7	21.1	1.4%	4.3%
Leather and Leather Products	6.7	6.7	6.9	0.0%	-2.9%

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS Unadjusted NOVEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Mo.	Mo. Ago	Yr. Ago	Latest Mo.	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$454.30	$446.65	$453.26	42.3	41.9	42.4
All Manufacturing (Excl. Canning)	456.65	450.66	457.10	42.4	42.0	42.6
Durable Goods	462.01	453.84	466.77	42.7	42.1	43.1
Lumber and Wood Products (Excl. Furniture)	318.00	325.19	318.38	39.8	40.7	40.2
Furniture and Fixtures	367.84	365.89	345.24	44.0	43.3	42.0
Stone, Clay, and Glass Products	456.42	463.62	443.12	47.2	47.6	46.4
Primary Metal Industries	478.80	460.72	471.70	45.6	44.3	46.2
Iron and Steel Foundries	501.68	472.77	482.30	48.1	45.9	47.8
Fabricated Metal Products	434.52	423.90	451.19	42.6	41.6	43.3
Fabricated Structural Metal Products	446.00	444.44	469.59	44.6	44.4	47.1
Metal Stampings	490.05	465.21	473.93	43.1	42.1	41.5
Machinery (Excl. Electrical)	495.66	488.88	530.43	42.4	42.0	44.8
Engines and Turbines	506.18	493.57	609.27	39.3	38.5	45.4
Farm Machinery and Equipment	517.44	531.85	579.86	42.0	43.1	46.5
Constr.,Mining, Material Handling Machinery	500.12	501.70	520.30	43.3	43.4	45.6
Metalworking Machinery and Equipment	561.95	551.04	534.36	45.1	44.8	43.8
Special Ind. Mach., Excl. Metalworking	523.60	507.48	508.52	44.6	43.3	43.5
Gen. Industrial Mach. and Equip.	486.82	472.01	478.98	43.7	42.6	42.5
Electrical Machinery, Equip. and Supplies	430.02	425.39	423.33	42.2	41.3	41.1
Electrical Industrial Apparatus	421.83	434.48	455.78	40.6	41.3	41.7
Transportation Equipment	660.55	644.14	599.06	43.4	42.8	41.4
Instrument and Related Products	386.20	381.63	394.55	42.3	41.8	43.5
Nondurable Goods	442.66	433.68	432.63	41.8	41.5	41.4
Food and Kindred Products	418.84	400.20	401.30	41.8	41.3	40.7
Meat Products	396.63	378.78	393.81	43.3	42.8	44.1
Dairy Products	406.37	407.59	411.86	40.8	40.8	40.9
Textile Mill Products	294.03	290.80	283.10	40.5	40.0	40.5
Apparel and Other Finished Products	262.74	263.64	241.02	38.3	39.0	37.6
Paper and Allied Products	611.62	602.46	590.36	46.3	45.4	45.8
Pulp and Paper Mills	659.86	652.70	630.63	46.6	45.9	46.2
Printing, Publishing and Allied Products	425.55	423.94	442.61	38.2	38.4	39.1
Chemicals and Allied Products	412.11	406.24	393.63	39.1	38.8	37.1
Rubber and Misc. Plastics Products	355.74	356.17	338.65	42.0	42.1	40.9
Leather and Leather Products	239.81	246.72	250.37	36.5	37.1	38.4

WISCONSIN ECONOMIC INDICATORS

AVERAGE HOURLY EARNINGS Unadjusted NOVEMBER	Including Overtime			Excluding Overtime		
	Latest Mo.	Mo. Ago	Yr. Ago	Latest Mo.	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$10.74	$10.66	$10.69	$10.20	$10.14	$10.11
All Manufacturing (Excl. Canning)	10.77	10.73	10.73	10.23	10.21	10.15
Durable Goods	10.82	10.78	10.83	10.29	10.28	10.28
Lumber and Wood Products (Excl. Furniture)	7.99	7.99	7.92	7.74	7.72	7.81
Furniture and Fixtures	8.36	8.45	8.22	8.02	8.10	7.87
Stone, Clay, and Glass Products	9.67	9.74	9.55	8.95	8.97	9.06
Primary Metal Industries	10.50	10.40	10.21	9.75	9.75	9.58
Iron and Steel Foundries	10.43	10.30	10.09	9.55	9.53	9.43
Fabricated Metal Products	10.20	10.19	10.42	9.70	9.73	9.96
Fabricated Structural Metal Products	10.00	10.01	9.97	9.43	9.43	9.45
Metal Stampings	11.37	11.05	11.42	10.70	10.52	10.93
Machinery (Excl. Electrical)	11.69	11.64	11.84	11.15	11.13	11.10
Engines and Turbines	12.88	12.82	13.42	12.48	12.46	12.34
Farm Machinery and Equipment	12.32	12.34	12.47	11.83	11.74	11.79
Constr.,Mining, Material Handling Machinery	11.55	11.56	11.41	11.11	11.11	10.77
Metalworking Machinery and Equipment	12.46	12.30	12.20	11.66	11.73	11.56
Special Ind. Mach., Excl. Metalworking	11.74	11.72	11.69	11.11	11.11	11.11
Gen. Industrial Mach. and Equip.	11.14	11.08	11.27	10.53	10.55	10.70
Electrical Machinery, Equip. and Supplies	10.19	10.30	10.30	9.72	9.80	9.85
Electrical Industrial Apparatus	10.39	10.52	10.93	10.06	10.11	10.68
Transportation Equipment	15.22	15.05	14.47	14.28	14.30	13.82
Instrument and Related Products	9.13	9.13	9.07	8.84	8.85	8.66
Nondurable Goods	10.59	10.45	10.45	10.04	9.90	9.83
Food and Kindred Products	10.02	9.69	9.86	9.44	9.09	9.35
Meat Products	9.16	8.85	8.93	8.55	8.34	8.43
Dairy Products	9.96	9.99	10.07	9.42	9.44	9.49
Textile Mill Products	7.26	7.27	6.99	6.95	6.93	6.77
Apparel and Other Finished Products	6.86	6.76	6.41	6.66	6.57	6.31
Paper and Allied Products	13.21	13.27	12.89	12.41	12.50	12.02
Pulp and Paper Mills	14.16	14.22	13.65	13.26	13.39	12.68
Printing, Publishing and Allied Products	11.14	11.04	11.32	N.A.	N.A.	N.A.
Chemicals and Allied Products	10.54	10.47	10.61	10.14	10.10	10.31
Rubber and Misc. Plastics Products	8.47	8.46	8.28	8.12	8.11	7.95
Leather and Leather Products	6.57	6.65	6.52	6.43	6.48	6.37

Section

C SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) NOVEMBER	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS				
							INCL. OVERTIME			EXCL. OVERTIME	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$427.45	$422.91	$414.41	41.5	41.3	41.4	$10.30	$10.24	$10.01	.....	.....
Wisconsin	454.30	446.65	453.26	42.3	41.9	42.4	10.74	10.66	10.69	10.20	10.14
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	498.01	479.52	476.93	43.8	42.7	43.2	11.37	11.23	11.04	10.84	10.69
Beloit (City)	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA
Eau Claire (Eau Claire-Chippewa)	420.49	416.71	455.10	40.2	39.8	42.1	10.46	10.47	10.81	9.91	9.86
Fond du Lac (County)	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA
Green Bay (Brown County)	505.91	481.08	478.82	43.5	42.2	41.6	11.63	11.40	11.51	10.94	10.84
Janesville (City)	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA
Janesville-Beloit (Rock Co.)	545.26	568.51	485.20	42.9	43.2	40.0	12.71	13.16	12.13	12.11	12.47
Kenosha (County)	608.38	522.29	507.53	44.8	40.9	40.7	13.58	12.77	12.47	12.59	12.32
La Crosse (County)	372.04	358.09	374.53	41.2	39.7	41.8	9.03	9.02	8.96	8.70	8.77
Madison (Dane County)	414.69	420.60	401.47	42.1	42.7	40.8	9.85	9.85	9.84	9.52	9.47
Manitowoc (County)	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA
Milwaukee (Milwaukee-Ozaukee-Washington-Waukesha)	493.22	488.04	504.29	42.3	42.0	42.7	11.66	11.62	11.81	11.02	10.99
Racine (County)	434.62	439.79	482.54	39.8	40.2	43.2	10.92	10.94	11.17	10.41	10.37
Sheboygan (County)	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA
Wausau (Marathon County)	423.53	428.43	437.62	42.1	42.8	43.2	10.06	10.01	10.13	9.58	9.51

INA - Information Not Available due to budget reductions

MANUFACTURING EMPLOYMENT Unadjusted NOVEMBER	(In Thousands)			% CHANGE	
	Latest Mo.	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago
United States	19804.0	19762.0	19379.0	0.2%	2.2%
Wisconsin	556.2	556.8	535.2	-0.1%	3.9%
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	53.2	53.6	51.0	-0.7%	4.3%
Beloit (City)	INA	INA	INA		
Eau Claire (Eau Claire-Chippewa)	11.0	11.0	10.1	0.0%	8.9%
Fond du Lac (County)	INA	INA	INA		
Green Bay (Brown County)	26.0	26.1	25.1	-0.4%	3.6%
Janesville (City)	INA	INA	INA		
Janesville-Beloit (Rock County)	18.5	18.1	18.0	2.2%	2.8%
Kenosha (County)	14.2	14.2	14.5	0.0%	-2.1%
La Crosse (County)	11.2	11.1	11.3	0.9%	-0.9%
Madison (Dane County)	24.0	24.0	23.2	0.0%	3.4%
Manitowoc (County)	INA	INA	INA		
Milwaukee (Milwaukee-Ozaukee-Washington-Waukesha)	178.4	177.6	172.7	0.5%	3.3%
Racine (County)	25.2	25.0	24.7	0.8%	2.0%
Sheboygan (County)	INA	INA	INA		
Wausau (Marathon County)	13.9	14.0	13.0	-0.7%	6.9%

WISCONSIN'S ECONOMIC OUTLOOK

by David H. Peterson and Gene Schubert
Department of Revenue

U.S. economic growth remains strong--stronger, in fact, than the preliminary third quarter Gross National Product (GNP) estimate seems to imply. If economic growth continues at its current pace, fears of inflation could easily be re-ignited. Therefore, the Federal Reserve is expected to keep the economy back onto a tight leash by squeezing credit supplies to get the economy back onto a sustainable growth path. This means that the next two years will see a slower growing economy. Real GNP is expected to grow by 2.3 percent next year and 1.9 percent in 1990, after two years of above-average growth in 1987 (3.4%) and 1988 (3.8%). Real GNP growth is expected to resume an upward path in 1991, growing by 3.2 percent.

Industrial production and employment are expected to continue rising for the next three months, pushing interest rates higher; this will tend to affirm the assessment of current strength in demand. Debt accumulation will once again become a major worry. To restore better balance, higher interest rates will be necessary to cool consumer spending and business inventory demand.

In terms of future inflation potential, a 2.2 percent national growth rate achieved by a mix of strong business output and drought-damaged farm production is not favorable. Today, demand is pressing against supply in both the farm and nonfarm sectors.

The outlook for consumer spending has been lowered somewhat from the forecast of three months ago. Rates of growth cited in this section are all "real" growth rates, after adjustment for inflation, unless otherwise stated. Total consumer spending is now expected to slow from 2.6 percent in 1988 to 1.6 percent in 1989 and 1.1 percent in 1990, followed by an increase of 2.2 percent in 1991. Interest-sensitive durable goods will show the most weakness in response to expected increases in interest rates. Constant dollar consumption of autos is likely to decline in both 1989 and 1990. Nondurable goods and services will also exhibit slow growth as the economy pauses in the next two years.

Housing starts are expected to decline in 1988 to a level of 1.465 million units, a fall of 10.3 percent from the 1987 level of 1.634 million units. The fixed contract mortgage commitment rate has recently edged above 10.0 percent, and is expected to rise to 10.6 percent by 1989 before easing downward in 1990 and 1991. A recovery in multi-family starts is not expected until 1991 when starts are forecast to increase by 12.1 percent.

Business spending on plant and equipment is expected to remain healthy into 1989, as capacity constraints encourage new capital outlays. Investment in producers' durable equipment is expected to add $22.2 billion to business investment. Spending for structures, however, will remain weak, declining by 1.7 percent in 1989 and 1.9 percent in 1990 before increasing by 4.3 percent in 1991.

Inventories will be drawn down as sales become sluggish, resulting in a total business inventory change of $13.5 billion compared to $36.2 billion in 1988.

The foreign sector will remain a source of strength for the economy as the dollar is expected to continue to decline gradually against foreign currencies. The merchandise trade

balance is expected to improve from a deficit of $158.2 billion in 1987 to a deficit of $123.3 billion in 1988. The trade deficit is expected to gradually improve over the forecast period to a more manageable level of $68.2 billion by 1991.

The inflation outlook has changed modestly for the better since the last forecast. Pressures from a tightening labor market are expected to diminish somewhat as the economy cools over the next two years. The unemployment rate is projected to rise slightly from 5.5 percent 1988 to 5.6 percent next year and to 5.9 percent in 1990. Consumer inflation, measured by the rate of increase of the consumer price index, is now expected to remain under 5.0 percent for the forecast period. Compensation per hour will likely increase by 4.8 percent in 1989, followed by increases of 5.4 percent in 1990 and 6.0 percent in 1991. Wage inflation as measured by the hourly earnings index is expected to increase at a slower pace: 4.0 percent in 1989, 4.5 percent in 1990, and 5.0 percent in 1991.

WISCONSIN OUTLOOK

The current forecast for the Wisconsin economy follows a pattern similar to the August forecast, with a moderate cyclical slowdown in 1989 and 1990 followed by a return to more normal growth in 1991. The most significant changes to the forecast have arisen from a slightly weaker U.S. economic forecast and from recent revisions to Wisconsin personal income estimates.

Wisconsin personal income is expected to grow by 6.2 percent in 1988 following a gain of 6.4 percent in 1987. Personal income growth will remain stable at 6.3 percent and 6.0 percent in 1989 and 1990, before resuming a 6.8 percent growth rate in 1991. Total nonfarm employment is expected to grow by 3.2 percent in 1988, compared to 2.8 percent in 1987. Employment growth for 1989 and 1990 is expected to slip to 1.1 percent and 1.2 percent, respectively, followed by a gain of 2.0 percent in 1991.

In the third quarter, employment in Wisconsin increased by 10,300, only slightly below the 12,400 in the August forecast. There were, however, some surprises in the composition of this growth. Service employment showed virtually no growth after a relatively weak performance in the second quarter. While the two weak quarters will not alter the view that service industry employment will continue to provide the bulk of the employment growth through the forecast period, they will have a significant effect on the service industry employment forecast for 1988.

Offsetting this weakness is the surprising strength of state and local government employment. The data is preliminary and heavily influenced by seasonal factors because school teachers, who return to work in August and September, constitute the majority of state and local employees.

Consistent with the pattern of growth forecast for the U.S. economy, the growth rate of the Wisconsin economy is forecast to slow in 1989 and 1990. Total employment is forecast to grow by 1.1 percent in 1989 and 1.2 percent in 1990. These growth rates are sharply lower than the near 3.0 percent rates experienced in 1987 and 1988. The principal cause for the slowdown is the weak growth in the U.S. economy. This weakness will be compounded in Wisconsin by the announced shutdown of the Chrysler plant in Kenosha early in 1989 and its secondary effects.

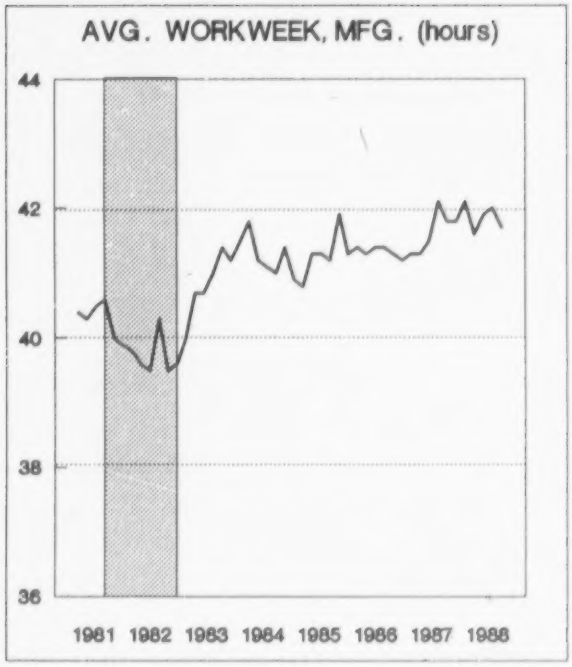
Under these conditions, employment in Wisconsin's manufacturing industries will grow by only 0.4 percent in 1989 and 0.1 percent in 1990 before resuming a 1.7 percent growth in 1991.

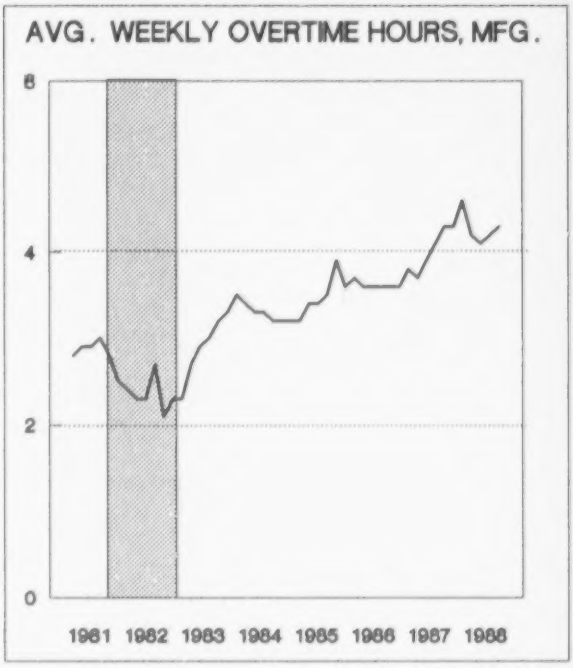
(Continued on back cover)

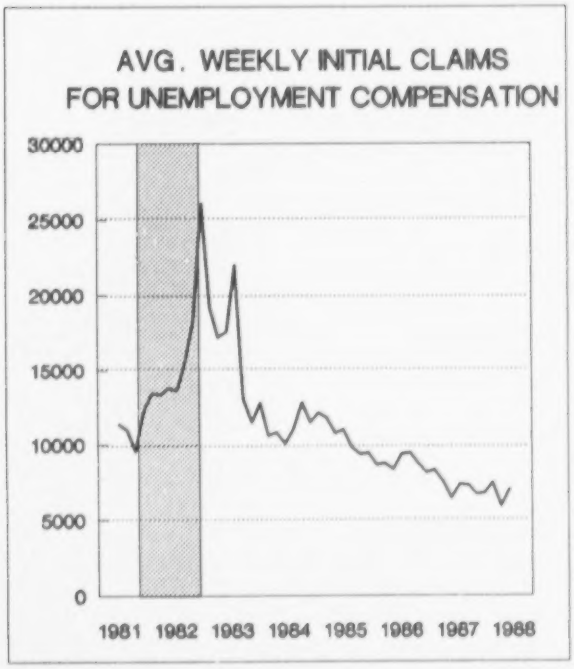
WISCONSIN EMPLOYMENT FORECAST
(Thousands of Workers, Annual Average)

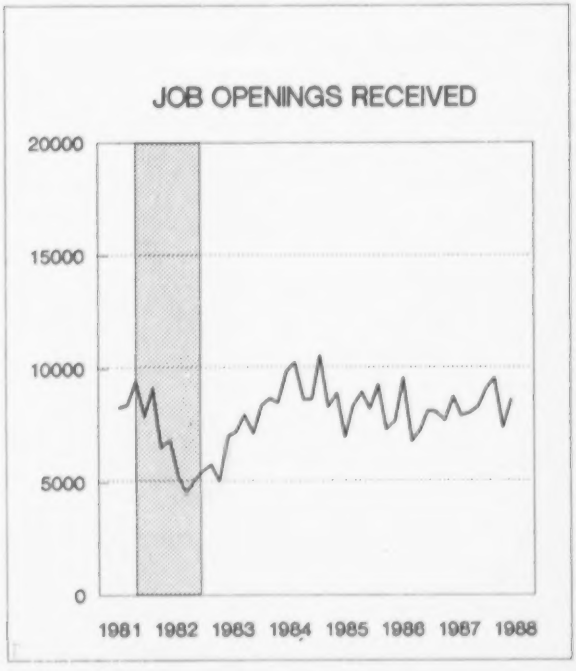
	1987	1988	1989	1990	1991
MANUFACTURING	526.4	548.6	550.2	551.5	560.8
DURABLES	321.7	338.9	340.3	340.6	346.3
LUMBER PRODUCTS	26.4	27.8	28.1	28.0	28.4
STONE, CLAY, GLASS	9.0	9.5	9.1	9.0	9.1
PRIMARY METALS	19.9	22.0	22.9	22.3	22.2
FABRICATED METALS	53.4	56.7	57.3	57.2	58.1
NON-ELECT. MACHINERY	102.0	109.7	113.7	114.6	117.2
ELECTRICAL MACHINERY	46.6	47.6	47.3	47.5	48.8
TRANS. EQUIPMENT	32.7	31.4	27.5	28.0	28.2
OTHER DURABLES	31.8	33.9	34.5	34.0	34.2
NONDURABLES	204.6	209.7	209.8	211.0	214.5
FOOD PRODUCTS	61.8	62.2	62.0	62.0	61.7
PAPER PRODUCTS	48.2	48.4	48.7	49.0	49.8
PRINTING & PUBLISHING	41.4	44.3	44.9	45.6	47.2
CHEMICALS	10.3	10.4	10.5	10.5	10.6
RUBBER & PLASTICS	24.8	25.3	24.9	25.4	26.9
OTHER NONDURABLES	18.2	19.1	18.9	18.4	18.2
MINING	2.0	2.2	2.1	2.1	2.1
CONSTRUCTION	67.4	71.0	67.7	66.7	66.9
TRANS., COMM., UTILITIES	94.1	97.0	97.8	98.4	100.1
FINANCE, INSUR., REAL EST.	112.3	114.3	115.4	116.8	119.5
TRADE	495.2	514.1	521.6	527.5	536.7
SERVICES	454.9	467.7	480.4	497.7	518.9
GOVERNMENT	327.3	331.7	334.0	334.6	333.9
TOTAL EMPLOYMENT (Nonfarm)	2079.7	2146.4	2169.1	2195.3	2238.8

D CYCLICAL INDICATORS









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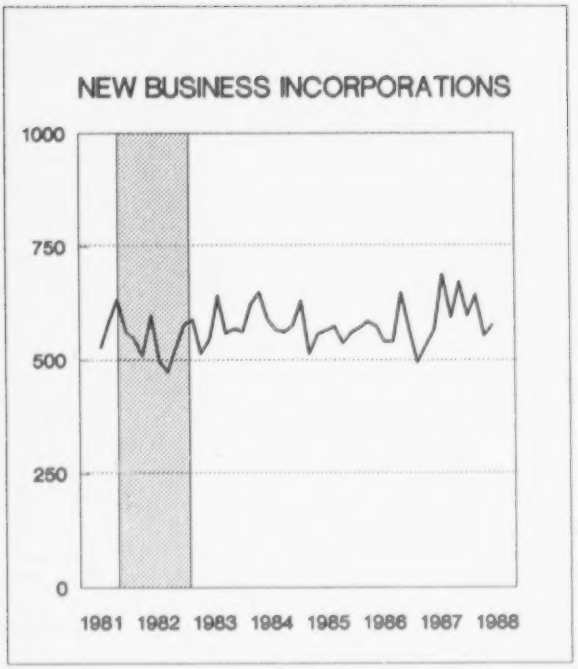

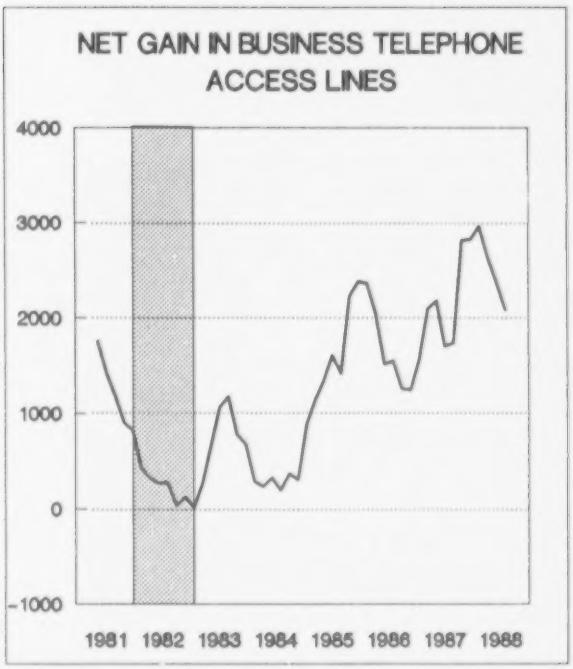

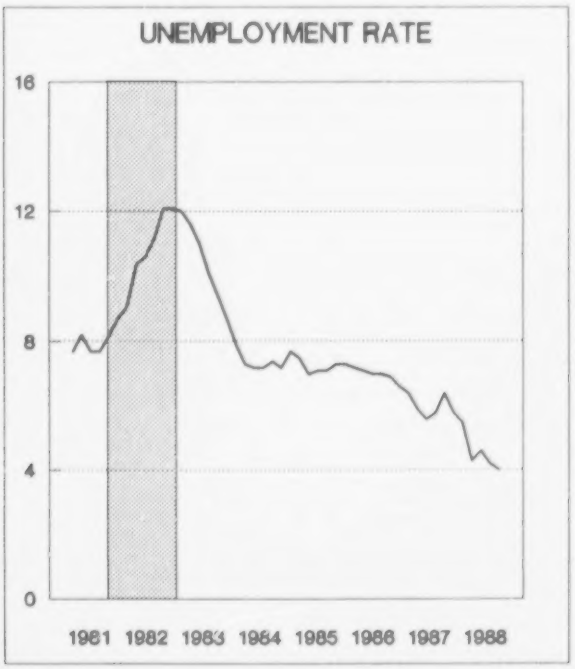

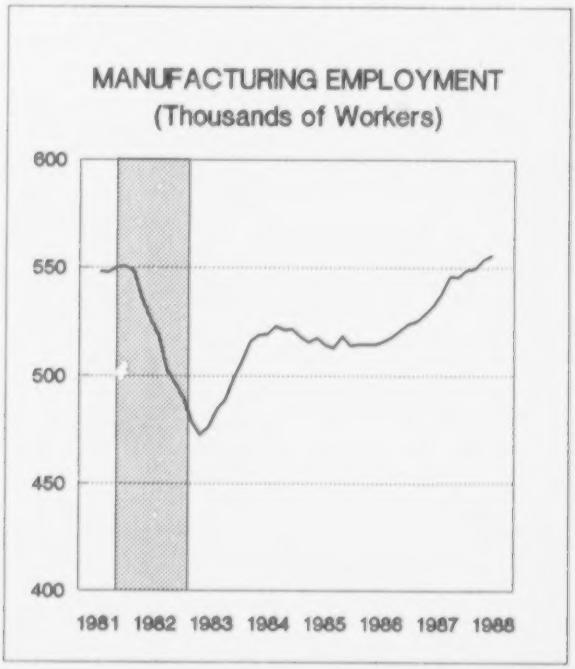

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(Continued from page 10)

Employment growth in many durable goods industries, including primary metals, fabricated metals and nonelectrical machinery, will continue in 1989, although at more modest rates than in 1988. These gains will be offset, however, by the loss of jobs in the auto industry. Overall, the manufacturing sector is expected to more closely resemble the relatively sluggish 1985-1986 period than the 1987-1988 period.

Employment in the nonmanufacturing sector will generally fare better, with the exception of the construction and mining industries which are forecast to reduce employment slightly from current levels in response to fewer housing starts. Most of the employment growth in the forecast period is expected to occur in the trade and service industries. Employment in wholesale and retail trade is expected to grow 1.5 percent in 1989, 1.1 percent in 1990, and 1.7 percent in 1991.

Employment in service industries is expected to grow 2.7 percent in 1989, 3.6 percent in 1990, and 4.3 percent in 1991.

Wisconsin personal income is expected to grow about 6.0 percent annually throughout the forecast period. This relatively constant rate may seem surprising given the mildly cyclical movement in employment growth. However, this can be explained by two factors. First, wage and price inflation is expected to stabilize in the 4.0 percent to 5.0 percent range. This implies that changes in the rate of growth of wages will respond primarily to changes in employment growth, which during this forecast period vary by no more than two percentage points. Second, the sharp drop in farm income in 1988, and subsequent rebound in 1989 and 1990, tend to offset the cyclical pattern in employment growth.